

AMENDED IN ASSEMBLY JUNE 28, 2006

AMENDED IN SENATE APRIL 26, 2006

**SENATE BILL**

**No. 1840**

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**Introduced by Committee on Energy, Utilities and Communications (Senators Escutia (Chair), Alarcon, Battin, Bowen, Cox, Dunn, Dutton, Kehoe, Murray, and Simitian)**

February 28, 2006

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An act to amend Section 53115.1 of the Government Code, ~~to amend Sections 7300, 7300.1, and 7300.2 of the Labor Code,~~ and to amend Sections 1031, 1032, 1032.1, 5353, ~~5371.4,~~ and 5374 of, and to repeal Section 5375.1 of, the Public Utilities Code, relating to public safety.

LEGISLATIVE COUNSEL'S DIGEST

SB 1840, as amended, Committee on Energy, Utilities and Communications. Public safety: State 911 Advisory Board: ~~building conveyances:~~ passenger stage corporations: charter-party carriers of passengers: certificates to provide service.

(1) Existing law establishes in state government the State 911 Advisory Board, comprised of designated members appointed by the Governor, with the duty of advising the Telecommunications Division of the Department of General Services on matters related to the California 911 emergency telephone system.

This bill would, notwithstanding any other provision of law, authorize any member of the advisory board to designate a person to act as that member in his or her place and stead for all purposes, as though the member were personally present.

~~(2) Existing labor law provides for building safety, and regulates, among other things, elevators, escalators, and automated people~~

~~movers, as provided, for the purpose of ensuring the safety of the public and of workers.~~

~~This bill would remove automated people movers from the regulation of those conveyances. The bill would also make technical, conforming changes to labor law provisions.~~

~~(3)~~

(2) The California Constitution establishes the Public Utilities Commission, composed of 5 members appointed by the Governor and approved by the Senate, with jurisdiction over all public utilities, including common carriers. The Constitution authorizes the Legislature, unlimited by the other provisions of the Constitution, to confer additional authority and jurisdiction upon the commission that is cognate and germane to the regulation of public utilities. Passenger ~~state~~ *stage* corporations are subject to the jurisdiction and control of the commission under the Public Utilities Act. The act requires every passenger stage corporation to obtain a certificate of public convenience and necessity from the ~~Public Utilities Commission~~ *commission* before operating over any public highway in the state and sets forth requirements relating to the issuance and transfer of these certificates. Existing law authorizes the commission to issue a certificate in a territory already served by a certificate holder only when the existing passenger stage corporation serving the territory will not provide the service to the satisfaction of the commission and requires the commission to consider the effect of the applicant's proposed operations on the services furnished by any public transit operator before issuing a certificate.

This bill would delete the provision authorizing the commission to issue a certificate in a territory already served by a certificate holder only when the existing passenger stage corporation serving the territory will not provide the service to the satisfaction of the commission and would delete the requirement that the commission, before issuing a certificate, consider the applicant's proposed operations on the services furnished by any public transit operator. The bill would require the commission to require the applicant to establish reasonable fitness and financial responsibility to initiate and conduct or continue to conduct the proposed transportation services, before a certificate is issued or transferred. The bill would require a passenger stage line to meet all state and federal regulations and would authorize the commission to delegate the authority to issue or transfer certificates and to make specified findings, to its executive

director. The bill would extend certain existing requirements for the issuance of a certificate pertaining to mandatory controlled substance and alcohol testing certification programs, to a transfer of the certificate.

Under existing law, a violation of the Public Utilities Act or an order or direction of the commission is a crime.

Because the provisions of this bill *relating to passenger stages* would be a part of the act and because a violation of an order or decision of the commission implementing its requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

(4)

(3) Charter-party carriers of passengers are subject to the jurisdiction and control of the commission pursuant to the Passenger Charter-Party Carriers' Act. Existing law requires each charter-party ~~passenger~~ carrier *of passengers* to hold a permit or certificate in order to perform services, as provided. Existing law requires that the commission hold a hearing before granting a certificate if the applicant desires to operate in a territory already served by the holder of a certificate. The commission is prohibited from granting the certificate unless it is shown that the existing charter-party carrier of passengers serving the territory is not providing services that are satisfactory to the commission and adequate for the public. Existing law permits persons holding class A, B, and C—~~drivers~~ *driver's* licenses to apply for a charter-party carrier of passengers certificate or permit.

This bill would delete the requirement that the commission hold a hearing before granting a certificate if the applicant desires to operate in a territory already served by the holder of a certificate and would delete the prohibition upon granting the certificate unless it is shown that the existing charter-party carrier of passengers serving the territory is not providing services that are satisfactory to the commission and adequate for the public. The bill would delete certain legal requirements that differentiate between class A, B, and C driver's licenses.

(4) *Existing law prohibits a city, county, or city and country from imposing a fee upon a charter-party carriers operating limousines, but authorizes the governing body of a city, county, or city and county to impose a business license fee on, and to adopt and enforce any reasonable rules and regulations pertaining to operations within its*

*boundaries for, any charter-party carrier domiciled or maintaining a business office within that city, county, or city and county. Existing law authorizes the governing board of an airport to require a charter-party carrier operating limousines to obtain an airport permit for operating authority at the airport, and to adopt and enforce reasonable and nondiscriminatory local airport rules, regulations, and ordinances pertaining to access, use of streets and roads, parking, traffic control, passenger transfers, trip fees, and occupancy, and the use of buildings and facilities, that are applicable to charter-party carriers operating limousines on airport property. Existing law defines a “limousine” for these purposes, as including any luxury sedan, of either standard or extended length, with a seating capacity of not more than 9 passengers including the driver, used in the transportation of passengers for hire on a prearranged basis within this state.*

*This bill would instead define a “limousine” as including any sedan or sports utility vehicle, of either standard or extended length, with a seating capacity of not more than 10 passengers including the driver, used in the transportation of passengers for hire on a prearranged basis within this state.*

*(5) Existing law prohibits a charter-party carrier of passengers from operating a limousine, incorporating the above described definition, unless the limousine is equipped with special license plates issued and distributed by the Department of Motor Vehicles and requires the commission to issue a permit or certificate to each charter-party carrier operating limousines for the number of vehicles verified by the carrier as employed in providing limousine service. Under existing law, a violation of the Passenger Charter-Party Carriers’ Act or an order or direction of the commission pursuant to the act is a crime.*

*By expanding the definition of a limousine for these purposes, the bill would impose a state-mandated local program by expanding the definition of a crime.*

~~(5)~~

*(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 53115.1 of the Government Code is  
2 amended to read:  
3 53115.1. (a) There is in state government the State 911  
4 Advisory Board.  
5 (b) The advisory board shall be comprised of the following  
6 members appointed by the Governor who shall serve at the  
7 pleasure of the Governor.  
8 (1) The Chief of the California 911 Emergency  
9 Communications Office shall serve as the nonvoting chair of the  
10 board.  
11 (2) One representative from the Department of the California  
12 Highway Patrol.  
13 (3) Two representatives on the recommendation of the  
14 California Police Chiefs Association.  
15 (4) Two representatives on the recommendation of the  
16 California State Sheriffs' Association.  
17 (5) Two representatives on the recommendation of the  
18 California Fire Chiefs Association.  
19 (6) Two representatives on the recommendation of the  
20 CalNENA Executive Board.  
21 (7) One representative on the joint recommendation of the  
22 executive boards of the state chapters of the Association of  
23 Public-Safety Communications Officials-International, Inc.  
24 (c) Recommending authorities shall give great weight and  
25 consideration to the knowledge, training, and expertise of the  
26 appointee with respect to their experience within the California  
27 911 system. Board members should have at least two years of  
28 experience as a Public Safety Answering Point (PSAP) manager  
29 or county coordinator, except where a specific person is  
30 designated as a member.  
31 (d) Members of the advisory board shall serve at the pleasure  
32 of the Governor, but may not serve more than two consecutive  
33 two-year terms, except as follows:

1 (1) The presiding Chief of the California 911 Emergency  
2 Communications Office shall serve for the duration of his or her  
3 tenure.

4 (2) Four of the members shall serve an initial term of three  
5 years.

6 (e) Advisory board members shall not receive compensation  
7 for their service on the board, but may be reimbursed for travel  
8 and per diem for time spent in attending meetings of the board.

9 (f) The advisory board shall meet quarterly in public sessions  
10 in accordance with the Bagley-Keene Open Meeting Act (Article  
11 9 (commencing with Section 11120) of Chapter 2 of Part 1 of  
12 Division 3 of Title 2). The Telecommunications Division shall  
13 provide administrative support to the State 911 Advisory Board.  
14 The State 911 Advisory Board, at its first meeting, shall adopt  
15 bylaws and operating procedures consistent with this article and  
16 establish committees as necessary.

17 (g) Notwithstanding any other provision of law, any member  
18 of the advisory board may designate a person to act as that  
19 member in his or her place and stead for all purposes, as though  
20 the member were personally present.

21 ~~SEC. 2. Section 7300 of the Labor Code is amended to read:~~

22 ~~7300. The Legislature finds and declares all of the following:~~

23 ~~(a) It is the purpose of this chapter to promote public safety~~  
24 ~~awareness and to assure, to the extent feasible, the safety of the~~  
25 ~~public and of workers with respect to conveyances covered by~~  
26 ~~this chapter.~~

27 ~~(b) The use of unsafe or defective conveyances imposes a~~  
28 ~~substantial probability of serious and preventable injury to~~  
29 ~~employees and the public. The prevention of these injuries and~~  
30 ~~protection of employees and the public from unsafe conditions is~~  
31 ~~in the best interest of the people of this state. Therefore, this~~  
32 ~~chapter also establishes minimum standards for persons operating~~  
33 ~~or maintaining conveyances covered by this chapter. These~~  
34 ~~standards include familiarity with the operation and safety~~  
35 ~~functions of the components and equipment, and documented~~  
36 ~~training or experience or both, which shall include, but not be~~  
37 ~~limited to, recognizing the safety hazards and performing the~~  
38 ~~procedures to which they are assigned in conformance with all~~  
39 ~~legal requirements.~~

~~(e) This chapter is not intended to prevent the division from implementing regulations, nor to prevent the use of systems, methods, or devices of equivalent or superior quality, strength, fire resistance, code effectiveness, durability, and safety to those required by the law, provided that there is technical documentation to demonstrate that the equivalency of the system, method, or device, is at least as effective as that prescribed in ASME A17.1, ASME A17.3, or ASME A18.1.~~

~~SEC. 3. Section 7300.1 of the Labor Code is amended to read:~~

~~7300.1. As used in this chapter:~~

~~(a) "ASME A17.1" means the Safety Code for Elevators and Escalators, an American National Standard, as adopted by the American Society of Mechanical Engineers.~~

~~(b) "ASME A17.3" means the Safety Code for Existing Elevators and Escalators, an American National Standard, as adopted by the American Society of Mechanical Engineers.~~

~~(c) "ASME A18.1" means the Safety Standard for Platform Lifts and Stairway Chairlifts, an American National Standard, as adopted by the American Society of Mechanical Engineers.~~

~~(d) "Board" or "standards board" means the Occupational Safety and Health Standards Board.~~

~~(e) "Certified qualified conveyance company" means any person, firm, or corporation that (1) possesses a valid contractor's license if required by Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code and (2) is certified as a qualified conveyance company by the division in accordance with this chapter.~~

~~(f) "Certified competent conveyance mechanic" means any person who has been determined by the division to have the qualifications and ability of a competent journey-level conveyance mechanic and is so certified by the division in accordance with this chapter.~~

~~(g) "Conveyance" means any elevator, dumbwaiter, escalator, moving platform lift, stairway chairlift, material lift or dumbwaiter with automatic transfer device, or other equipment subject to this chapter.~~

~~(h) "Division" means the Division of Occupational Safety and Health.~~

1 (i) ~~“Dormant elevator, dumbwaiter, or escalator” means an~~  
2 ~~installation placed out of service as specified in ASME A17.1~~  
3 ~~and ASME A18.1.~~

4 (j) ~~“Elevator” means an installation defined as an “elevator” in~~  
5 ~~ASME A17.1.~~

6 (k) ~~“Conveyance inspector” means any conveyance safety~~  
7 ~~inspector of the division or other conveyance inspector~~  
8 ~~determined by the division to be qualified pursuant to this~~  
9 ~~chapter.~~

10 (l) ~~“Escalator” means an installation defined as an “escalator”~~  
11 ~~in ASME A17.1.~~

12 (m) ~~“Existing installation” means an installation defined as an~~  
13 ~~“installation, existing” in ASME A17.1.~~

14 (n) ~~“Full maintenance service contract” means an agreement~~  
15 ~~by a certified competent conveyance company and the person~~  
16 ~~owning or having the custody, management, or control of the~~  
17 ~~operation of the conveyance, if the agreement provides that the~~  
18 ~~certified competent conveyance company is responsible for~~  
19 ~~effecting repairs necessary to the safe operation of the equipment~~  
20 ~~and will provide services as frequently as is necessary, but no~~  
21 ~~less often than monthly.~~

22 (o) ~~“Material alteration” means an alteration as defined in~~  
23 ~~ASME A17.1 or A18.1.~~

24 (p) ~~“Moving walk” or “moving sidewalk” means an~~  
25 ~~installation defined as a “moving walk” in ASME A17.1.~~

26 (q) ~~“Permit” means a document issued by the division that~~  
27 ~~indicates that the conveyance has had the required safety~~  
28 ~~inspection and tests and fees have been paid as set forth in this~~  
29 ~~chapter.~~

30 (r) ~~“Temporary permit” means a document issued by the~~  
31 ~~division which permits the use of a noncompliant conveyance by~~  
32 ~~the general public for a limited time while minor repairs are~~  
33 ~~being completed or until permit fees are paid.~~

34 (s) ~~“Repair” has the same meaning as defined in ASME A17.1~~  
35 ~~or A18.1. A “repair” does not require a permit.~~

36 (t) ~~“Temporarily dormant elevator, dumbwaiter, or escalator”~~  
37 ~~means a conveyance, the power supply of which has been~~  
38 ~~disconnected by removing fuses and placing a padlock on the~~  
39 ~~mainline disconnect switch in the “off” position. In the case of an~~  
40 ~~elevator or dumbwaiter, the car shall be parked and the hoistway~~



1 ~~doors shall be in the closed and latched position. A wire seal~~  
2 ~~shall be installed on the mainline disconnect switch by a~~  
3 ~~conveyance inspector of the division. The wire seal and padlock~~  
4 ~~shall not be removed for any purpose without permission from a~~  
5 ~~conveyance inspector of the division. A temporarily dormant~~  
6 ~~elevator, dumbwaiter, or escalator shall not be used again until it~~  
7 ~~has been put in safe running order and is in condition for use.~~  
8 ~~Annual inspections by a conveyance inspector shall continue for~~  
9 ~~the duration of the temporarily dormant status. Temporarily~~  
10 ~~dormant status may be renewed annually, but shall not exceed~~  
11 ~~five years. After each inspection, the conveyance inspector shall~~  
12 ~~file a report with the chief of the division describing the current~~  
13 ~~condition of the conveyance.~~

14 ~~(u) The meanings of building transportation terms not~~  
15 ~~otherwise defined in this section shall be as defined in the latest~~  
16 ~~editions of ASME A17.1 and ASME A18.1.~~

17 ~~SEC. 4. Section 7300.2 of the Labor Code is amended to~~  
18 ~~read:~~

19 ~~7300.2. Except as provided in Section 7300.3, this chapter~~  
20 ~~covers the design, erection, construction, installation, material~~  
21 ~~alteration, inspection, testing, maintenance, repair, service, and~~  
22 ~~operation of the following conveyances and their associated parts~~  
23 ~~and hoistways:~~

24 ~~(a) Hoisting and lowering mechanisms equipped with a car or~~  
25 ~~platform which move between two or more landings. This~~  
26 ~~equipment includes, but is not limited to, the following:~~

27 ~~(1) Elevators.~~

28 ~~(2) Platform lifts and stairway chair lifts.~~

29 ~~(b) Power-driven stairways and walkways for carrying persons~~  
30 ~~between landings. This equipment includes, but is not limited to,~~  
31 ~~the following:~~

32 ~~(1) Escalators.~~

33 ~~(2) Moving walks.~~

34 ~~(c) Hoisting and lowering mechanisms equipped with a car~~  
35 ~~which serve two or more landings and are restricted to the~~  
36 ~~carrying of material by limited size or limited access to the car.~~  
37 ~~This equipment includes, but is not limited to, the following:~~

38 ~~(1) Dumbwaiters.~~

39 ~~(2) Material lifts and dumbwaiters with automatic transfer~~  
40 ~~devices.~~

1     ~~SEC. 5.~~

2     *SEC. 2.* Section 1031 of the Public Utilities Code is amended  
3 to read:

4     1031. (a) No passenger stage corporation shall operate or  
5 cause to be operated any passenger stage over any public  
6 highway in this state without first having obtained from the  
7 commission a certificate declaring that public convenience and  
8 necessity require such operation, but no such certificate shall be  
9 required of any passenger stage corporation as to the fixed  
10 termini between which, or the route over which, it was actually  
11 operating in good faith on July 29, 1927, in compliance with the  
12 provisions of Chapter 213, Statutes of 1917, nor shall any such  
13 certificate be required of any person or corporation who on  
14 January 1, 1927, was operating, or during the calendar year 1926  
15 had operated a seasonal service of not less than three consecutive  
16 months' duration, sightseeing buses on a continuous sightseeing  
17 trip with one terminus only. Any right, privilege, franchise, or  
18 permit held, owned, or obtained by any passenger stage  
19 corporation may be sold, assigned, leased, mortgaged,  
20 transferred, inherited, or otherwise encumbered as other property,  
21 only upon authorization by the commission.

22     (b) For purposes of this section, "public convenience and  
23 necessity," as it affects applications for passenger stage  
24 corporation certificates, means that the applicant has met the  
25 criteria for issuance of a certificate specified in Section 1032.

26     ~~SEC. 6.~~

27     *SEC. 3.* Section 1032 of the Public Utilities Code is amended  
28 to read:

29     1032. (a) Every applicant for a certificate or transfer of a  
30 certificate shall file in the office of the commission an  
31 application therefor in the form required by the commission. The  
32 commission may, with or without a hearing, issue the certificate  
33 as requested, or refuse to issue it, or issue it for the partial  
34 exercise only of the privilege sought, and may attach to the  
35 exercise of the rights granted by the certificate terms and  
36 conditions that, in its judgment, are required in the public  
37 interest.

38     (b) (1) Before a certificate is issued or transferred, the  
39 commission shall require the applicant to establish reasonable  
40 fitness and financial responsibility to initiate and conduct, or

1 continue to conduct, the proposed or existing transportation  
2 services. The commission shall not issue or transfer a certificate  
3 unless the applicant meets all of the following requirements:

4 (A) The applicant is financially and organizationally capable  
5 of conducting an operation that complies with the rules and  
6 regulations of the Department of the California Highway Patrol  
7 governing highway safety.

8 (B) The applicant is committed to observing the hours of  
9 service regulations of state and federal law, where applicable, for  
10 all persons, whether employees or subcarriers, operating vehicles  
11 in transportation for compensation under the certificate.

12 (C) The applicant has a preventive maintenance program in  
13 effect for its vehicles used in transportation for compensation that  
14 conforms to regulations of the Department of the California  
15 Highway Patrol, as described in Title 13 of the California Code  
16 of Regulations.

17 (D) The applicant participates in a program to regularly check  
18 the driving records of all persons, whether employees or  
19 subcarriers, operating vehicles used in transportation for  
20 compensation requiring a class B driver's license under the  
21 certificate.

22 (E) The applicant has a safety education and training program  
23 in effect for all employees or subcarriers operating vehicles used  
24 in transportation for compensation.

25 (F) The applicant agrees to maintain its vehicles used in  
26 transportation for compensation in safe operating condition and  
27 in compliance with applicable laws and regulations relative to  
28 motor vehicle safety.

29 (G) The applicant has filed with the commission a certificate  
30 of workers' compensation insurance coverage or statement  
31 required by Section 460.7.

32 (H) The applicant has provided the commission an address of  
33 an office or terminal where documents supporting the factual  
34 matters specified in the showings required by this subdivision  
35 may be inspected by the commission and the Department of the  
36 California Highway Patrol.

37 (2) With respect to subparagraphs (B) and (F) of paragraph  
38 (1), the commission may base its findings on a certification by  
39 the commission that an applicant has filed with it a sworn  
40 declaration of ability to comply and intent to comply.

1 (c) In addition to the requirements of subdivision (b), a  
2 passenger stage corporation shall meet all other state and federal  
3 regulations, where applicable, as prescribed.

4 (d) The commission may delegate to its executive director or  
5 his or her designee, the authority to issue or transfer certificates  
6 of public convenience and necessity and to make all necessary  
7 findings specified in subdivision (b).

8 ~~SEC. 7.~~

9 *SEC. 4.* Section 1032.1 of the Public Utilities Code is  
10 amended to read:

11 1032.1. (a) The commission shall not issue or transfer a  
12 certificate of public convenience and necessity pursuant to this  
13 article unless the applicant provides for a mandatory controlled  
14 substance and alcohol testing certification program as adopted by  
15 the commission.

16 (b) The commission, after considering any suggestions made  
17 by the Department of the California Highway Patrol, shall adopt  
18 a program that includes, but need not be limited to, all of the  
19 following requirements:

20 (1) Drivers shall test negative for each of the controlled  
21 substances specified in Part 40 (commencing with Section 40.1)  
22 of Title 49 of the Code of Federal Regulations, before  
23 employment. Drivers shall test negative for these controlled  
24 substances and for alcohol at such other times as the commission,  
25 after consulting the Department of the California Highway  
26 Patrol, shall designate. As used in this section, a negative test for  
27 alcohol means an alcohol screening test showing a breath alcohol  
28 concentration of less than 0.02 percent.

29 (2) Procedures shall be substantially as in Part 40  
30 (commencing with Section 40.1) of Title 49 of the Code of  
31 Federal Regulations, except that the driver shall show a valid  
32 California driver's license at the time and place of testing, and  
33 except as provided otherwise in this section. Requirements for  
34 rehabilitation and for return-to-duty and followup testing, and  
35 other requirements except as provided otherwise in this section,  
36 shall be substantially as in Part 382 (commencing with Section  
37 382.101) of Title 49 of the Code of Federal Regulations.

38 (3) A test for one applicant shall be accepted as meeting the  
39 same requirement for any other applicant. Any negative test  
40 result shall be accepted for one year as meeting any requirement

1 for periodic testing for that applicant or any other applicant, if the  
2 driver has not tested positive subsequent to a negative result.  
3 However, an earlier negative result shall not be accepted as  
4 meeting the pre-employment testing requirement for any  
5 subsequent employment, or any testing requirements under the  
6 program other than periodic testing.

7 (4) In the case of an applicant who is also a driver, test results  
8 shall be reported directly to the commission. In all other cases,  
9 results shall be reported directly to the applicant.

10 (5) All test results are confidential and shall not be released  
11 without the consent of the driver, except as authorized or  
12 required by law.

13 (6) Applicants shall be responsible for compliance with, and  
14 shall pay all costs of, this program with respect to their  
15 employees and potential employees, except that an applicant may  
16 require employees who test positive to pay the costs of  
17 rehabilitation and of return-to-duty and followup testing.

18 (7) The requirements of the program do not apply to any  
19 driver required to comply with the controlled substance and  
20 alcohol use and testing requirements of Part 382 (commencing  
21 with Section 382.101) of Title 49 of the Code of Federal  
22 Regulations, or Section 34520 of the Vehicle Code, or to any  
23 driver exempted from the provisions of that section.

24 (c) No evidence derived from a positive test result pursuant to  
25 the program shall be admissible in a criminal prosecution  
26 concerning unlawful possession, sale, or distribution of  
27 controlled substances.

28 (d) On the request of an applicant, the commission shall give  
29 the applicant a list of consortia certified pursuant to Part 382  
30 (commencing with Section 382.101) of Title 49 of the Code of  
31 Federal Regulations that the commission knows offer tests in  
32 California.

33 (e) The commission shall conduct random and for-cause  
34 inspections of applicants' documents supporting compliance with  
35 the program.

36 (f) For purposes of this section, "employment" includes  
37 self-employment as an independent driver.

38 ~~SEC. 8.~~

39 *SEC. 5.* Section 5353 of the Public Utilities Code is amended  
40 to read:

1     5353. This chapter does not apply to any of the following:

2     (a) Transportation service rendered wholly within the  
3 corporate limits of a single city or city and county and licensed or  
4 regulated by ordinance.

5     (b) Transportation of school pupils conducted by or under  
6 contract with the governing board of any school district entered  
7 into pursuant to the Education Code.

8     (c) Common carrier transportation services between fixed  
9 termini or over a regular route that are subject to authorization  
10 pursuant to Article 2 (commencing with Section 1031) of  
11 Chapter 5 of Part 1 of Division 1.

12     (d) Transportation services occasionally afforded for farm  
13 employees moving to and from farms on which employed when  
14 the transportation is performed by the employer in an owned or  
15 leased vehicle, or by a nonprofit agricultural cooperative  
16 association organized and acting within the scope of its powers  
17 under Chapter 1 (commencing with Section 54001) of Division  
18 20 of the Food and Agricultural Code, and without any  
19 requirement for the payment of compensation therefor by the  
20 employees.

21     (e) Transportation service rendered by a publicly owned transit  
22 system.

23     (f) Passenger vehicles carrying passengers on a  
24 noncommercial enterprise basis.

25     (g) Taxicab transportation service licensed and regulated by a  
26 city or county, by ordinance or resolution, rendered in vehicles  
27 designed for carrying not more than eight persons excluding the  
28 driver.

29     (h) Transportation of persons between home and work  
30 locations or of persons having a common work-related trip  
31 purpose in a vehicle having a seating capacity of 15 passengers  
32 or less, including the driver, which are used for the purpose of  
33 ridesharing, as defined in Section 522 of the Vehicle Code, when  
34 the ridesharing is incidental to another purpose of the driver. This  
35 exemption also applies to a vehicle having a seating capacity of  
36 more than 15 passengers if the driver files with the commission  
37 evidence of liability insurance protection in the same amount and  
38 in the same manner as required for a passenger stage corporation,  
39 and the vehicle undergoes and passes an annual safety inspection  
40 by the Department of the California Highway Patrol. The

1 insurance filing shall be accompanied by a one-time filing fee of  
2 seventy-five dollars (\$75). This exemption does not apply if the  
3 primary purpose for the transportation of those persons is to  
4 make a profit. "Profit," as used in this subdivision, does not  
5 include the recovery of the actual costs incurred in owning and  
6 operating a vanpool vehicle, as defined in Section 668 of the  
7 Vehicle Code.

8 (i) Vehicles used exclusively to provide medical  
9 transportation, including vehicles employed to transport  
10 developmentally disabled persons for regional centers established  
11 pursuant to Chapter 5 (commencing with Section 4620) of  
12 Division 4.5 of the Welfare and Institutions Code.

13 (j) Transportation services rendered solely within the Lake  
14 Tahoe Basin, comprising that area included within the Tahoe  
15 Regional Planning Compact as set forth in Section 66801 of the  
16 Government Code, when the operator of the services has  
17 obtained any permit required from the Tahoe Basin  
18 Transportation Authority or the City of South Lake Tahoe, or  
19 both.

20 (k) Subject to Section 34507.6 of the Vehicle Code,  
21 transportation service provided by the operator of an automobile  
22 rental business in vehicles owned or leased by that operator,  
23 without charge other than as may be included in the automobile  
24 rental charges, to carry its customers to or from its office or  
25 facility where rental vehicles are furnished or returned after the  
26 rental period.

27 (l) Subject to Section 34507.6 of the Vehicle Code,  
28 transportation service provided by the operator of a hotel, motel,  
29 or other place of temporary lodging in vehicles owned or leased  
30 by that operator, without charge other than as may be included in  
31 the charges for lodging, between the lodging facility and an air,  
32 rail, water, or bus passenger terminal or between the lodging  
33 facility and any place of entertainment or commercial attraction,  
34 including, but not limited to, facilities providing snow skiing.  
35 Nothing in this subdivision authorizes the operator of a hotel,  
36 motel, or other place of temporary lodging to provide any round  
37 trip sightseeing service without a permit, as required by  
38 subdivision (c) of Section 5384.

39 (m) (1) Transportation of hot air balloon ride passengers in a  
40 balloon chase vehicle from the balloon landing site back to the

1 original takeoff site, provided that the balloon ride was  
2 conducted by a balloonist who meets all of the following  
3 conditions:

4 (A) Does not fly more than a total of 30 passenger rides for  
5 compensation annually.

6 (B) Does not provide any preflight ground transportation  
7 services in their vehicles.

8 (C) In providing return transportation to the launch site from  
9 landing does not drive more than 300 miles annually.

10 (D) Files with the commission an exemption declaration and  
11 proof of vehicle insurance, as prescribed by the commission,  
12 certifying that the operator qualifies for the exemption and will  
13 maintain minimum insurance on each vehicle of one hundred  
14 thousand dollars (\$100,000) for injury or death of one person,  
15 three hundred thousand dollars (\$300,000) for injury or death of  
16 two or more persons and one hundred thousand dollars  
17 (\$100,000) for damage to property.

18 (2) Nothing in this subdivision authorizes the operator of a  
19 commercial balloon operation to provide any round trip  
20 sightseeing service without a permit, as required by subdivision  
21 (c) of Section 5384.

22 (n) (1) Transportation services incidental to operation of a  
23 youth camp that are provided by either a nonprofit organization  
24 that qualifies for tax exemption under Section 501(c)(3) of the  
25 Internal Revenue Code or an organization that operates an  
26 organized camp, as defined in Section 18897 of the Health and  
27 Safety Code, serving youth 18 years of age or younger.

28 (2) Any transportation service described in paragraph (1) shall  
29 comply with all of the following requirements:

30 (A) Register as a private carrier with the commission pursuant  
31 to Section 4005.

32 (B) Participate in a pull notice system for employers of drivers  
33 as prescribed in Section 1808.1 of the Vehicle Code.

34 (C) Ensure compliance with the annual bus terminal inspection  
35 required by subdivision (c) of Section 34501 of the Vehicle  
36 Code.

37 (D) Obtain the following minimum amounts of general  
38 liability insurance coverage for vehicles that are used to transport  
39 youth:



1 (i) A minimum of five hundred thousand dollars (\$500,000)  
2 general liability insurance coverage for passenger vehicles  
3 designed to carry up to eight passengers. For organized camps, as  
4 defined in Section 18897 of the Health and Safety Code, an  
5 additional two hundred fifty thousand dollars (\$250,000) general  
6 umbrella policy that covers vehicles.

7 (ii) A minimum of one million dollars (\$1,000,000) general  
8 liability insurance coverage for vehicles designed to carry up to  
9 15 passengers. For organized camps, as defined in Section 18897  
10 of the Health and Safety Code, an additional five hundred  
11 thousand dollars (\$500,000) general umbrella policy that covers  
12 vehicles.

13 (iii) A minimum of one million five hundred thousand dollars  
14 (\$1,500,000) general liability insurance coverage for vehicles  
15 designed to carry more than 15 passengers, and an additional  
16 three million five hundred thousand dollars (\$3,500,000) general  
17 umbrella liability insurance policy that covers vehicles.

18 *SEC. 6. Section 5371.4 of the Public Utilities Code is*  
19 *amended to read:*

20 5371.4. (a) The governing body of any city, county, or city  
21 and county may not impose a fee on charter-party carriers  
22 operating limousines. However, the governing body of any city,  
23 county, or city and county may impose a business license fee on,  
24 and may adopt and enforce any reasonable rules and regulations  
25 pertaining to operations within its boundaries for, any  
26 charter-party carrier domiciled or maintaining a business office  
27 within that city, county, or city and county.

28 (b) The governing body of any airport may not impose vehicle  
29 safety, vehicle licensing, or insurance requirements on  
30 charter-party carriers operating limousines that are more  
31 burdensome than those imposed by the commission. However,  
32 the governing board of any airport may require a charter-party  
33 carrier operating limousines to obtain an airport permit for  
34 operating authority at the airport.

35 (c) Notwithstanding subdivisions (a) and (b), the governing  
36 body of any airport may adopt and enforce reasonable and  
37 nondiscriminatory local airport rules, regulations, and ordinances  
38 pertaining to access, use of streets and roads, parking, traffic  
39 control, passenger transfers, trip fees, and occupancy, and the use

1 of buildings and facilities, that are applicable to charter-party  
2 carriers operating limousines on airport property.

3 (d) This section does not apply to any agreement entered into  
4 pursuant to Sections 21690.5 to 21690.9, inclusive, between the  
5 governing body of an airport and charter-party carriers operating  
6 limousines.

7 (e) The commission shall conduct an audit and review of the  
8 annual gross revenues earned by charter-party carriers operating  
9 limousines for the purpose of ascertaining whether the imposition  
10 of additional fees based on a charter-party carrier's gross annual  
11 revenues would place an undue administrative or financial  
12 burden on the charter-party carrier industry. The commission  
13 shall report its findings to the Legislature on or before June 30,  
14 1992.

15 (f) The governing body of any airport shall not impose a fee  
16 based on gross receipts of charter-party carriers operating  
17 limousines.

18 (g) Notwithstanding subdivisions (a) to (f), inclusive, nothing  
19 in this section prohibits a city, county, city and county, or the  
20 governing body of any airport, from adopting and enforcing  
21 reasonable permit requirements, fees, rules, and regulations  
22 applicable to charter-party carriers of passengers other than those  
23 operating limousines.

24 (h) Notwithstanding subdivisions (a) to (f), inclusive, a city,  
25 county, or city and county may impose reasonable rules for the  
26 inspection of waybills of charter-party carriers of passengers  
27 operating within the jurisdiction of the city, county, or city and  
28 county, for purposes of verifying valid prearranged travel.

29 (i) For the purposes of this section, "limousine" includes any  
30 ~~luxury~~ sedan or sport utility vehicle, of either standard or  
31 extended length, with a seating capacity of not more than ~~nine~~ 10  
32 passengers including the driver, used in the transportation of  
33 passengers for hire on a prearranged basis within this state.

34 ~~SEC. 9.~~

35 SEC. 7. Section 5374 of the Public Utilities Code is amended  
36 to read:

37 5374. (a) (1) Before a permit or certificate is issued or  
38 renewed, the commission shall require the applicant to establish  
39 reasonable fitness and financial responsibility to initiate and  
40 conduct or continue to conduct the proposed or existing

1 transportation services. The commission shall not issue or renew  
2 a permit or certificate pursuant to this chapter unless the  
3 applicant meets all of the following requirements:

4 (A) It is financially and organizationally capable of conducting  
5 an operation that complies with the rules and regulations of the  
6 Department of the California Highway Patrol governing highway  
7 safety.

8 (B) It is committed to observing the hours of service  
9 regulations of state and, where applicable, federal law, for all  
10 persons, whether employees or subcarriers, operating vehicles in  
11 transportation for compensation under the certificate.

12 (C) It has a preventive maintenance program in effect for its  
13 vehicles used in transportation for compensation that conforms to  
14 regulations of the Department of the California Highway Patrol  
15 in Title 13 of the California Code of Regulations.

16 (D) It participates in a program to regularly check the driving  
17 records of all persons, whether employees or subcarriers,  
18 operating vehicles used in transportation for compensation.

19 (E) It has a safety education and training program in effect for  
20 all employees or subcarriers operating vehicles used in  
21 transportation for compensation.

22 (F) It will maintain its vehicles used in transportation for  
23 compensation in a safe operating condition and in compliance  
24 with the Vehicle Code and with regulations contained in Title 13  
25 of the California Code of Regulations relative to motor vehicle  
26 safety.

27 (G) It has filed with the commission the certificate of workers'  
28 compensation insurance coverage or statement required by  
29 Section 5378.1.

30 (H) It has provided the commission an address of an office or  
31 terminal where documents supporting the factual matters  
32 specified in the showing required by this subdivision may be  
33 inspected by the commission and the Department of the  
34 California Highway Patrol.

35 (I) It provides for a mandatory controlled substance and  
36 alcohol testing certification program as adopted by the  
37 commission pursuant to Section 1032.1.

38 (2) With respect to subparagraphs (B) and (F) of paragraph  
39 (1), the commission may base a finding on a certification by the

1 commission that an applicant has filed, with the commission, a  
2 sworn declaration of ability to comply and intent to comply.

3 (b) In addition to the requirements in subdivision (a),  
4 charter-party carriers shall meet all other state and, where  
5 applicable, federal regulations as prescribed.

6 (c) The commission may delegate to its executive director or  
7 that executive director's designee the authority to issue, renew, or  
8 authorize the transfer of, charter-party carrier permits or  
9 certificates and to make the findings specified in subdivision (a)  
10 that are necessary to that delegated authority.

11 ~~SEC. 10.~~

12 *SEC. 8.* Section 5375.1 of the Public Utilities Code is  
13 repealed.

14 ~~SEC. 11.~~

15 *SEC. 9.* No reimbursement is required by this act pursuant to  
16 Section 6 of Article XIII B of the California Constitution because  
17 the only costs that may be incurred by a local agency or school  
18 district will be incurred because this act creates a new crime or  
19 infraction, eliminates a crime or infraction, or changes the  
20 penalty for a crime or infraction, within the meaning of Section  
21 17556 of the Government Code, or changes the definition of a  
22 crime within the meaning of Section 6 of Article XIII B of the  
23 California Constitution.